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ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF UNITED NATIONS PEACE-KEEPING OPERATIONS

Effective planning, budgeting and administration of peace-keeping operations

Report of the Secretary-General

1. The purpose of the present report is to update the information contained in the report of the Secretary-General on the subject (A/48/945) submitted to the General Assembly at its forty-eighth session. By its decision 48/459 of 29 July 1994, the General Assembly deferred to its forty-ninth session consideration of that report.

2. An update of the status of action taken in response to issues raised by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (A/48/945, annex I) appears in the annex to the present report.

3. In connection with the financial authority for peace-keeping operations, the Chairman of the Advisory Committee made a statement to the Fifth Committee on 25 August 1994 (A/C.5/48/SR.76) in connection with its consideration of the financing of the United Nations Assistance Mission to Rwanda, in which he drew attention, inter alia, to the possibility of raising the level of the $10 million commitment authority which the Advisory Committee is currently authorized by the General Assembly to grant the Secretary-General, under the resolution concerning unforeseen and extraordinary expenses, in respect of any decision taken by the Security Council. The Chairman had noted that the $10 million limit had been set at a time when the level of expenditures for peace-keeping operations was much smaller. The General Assembly, in its decision 48/479 B of 14 September 1994, concurred with the observations of ACABQ.

4. In that context, the Secretary-General has reviewed the matter, taking into account the level of expenditures incurred for start-up costs or expanded

activities in recent years, and is of the view that the level of commitment authority, established at $10 million in 1961, when there were only four peace-keeping operations, should be increased. It is therefore proposed that the General Assembly increase the amount that can be concurred in by the Advisory Committee for commitment authority to the Secretary-General to $50 million so as to ensure timely and effective response, prior to approval by the General Assembly of the budget for a given peace-keeping operation.

Annex

SUMMARY OF OUTSTANDING ISSUES RAISED BY THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS, WITH ACTIONS TAKEN AND RECOMMENDATIONS

Update as at 3 October 1994

A/47/990 paragraph	Summary of issue	Initial action taken and/or recommendations	Current status of issue
3, 4, 7, 8	Presentation of performance reports should be improved, including proposed and actual staffing table; clear presentation of requests for additional resources; inclusion of detailed organigrams; volume of documentation in peace-keeping financial reports should be reduced and include more tables and charts	Development of improved performance report and budget submission formats, relying less on text and including more extensive analytical tables and graphic illustrations	New budget and performance report formats are being elaborated and will be presented to ACABQ and the General Assembly during the forty-ninth session
9	Presentation of voluntary contributions in reports of the Secretary-General should be improved	Voluntary contributions will be included in all financial submissions; impact of the contributions on related budget items will be identified in the text	Financial reports now include information on contributions received and their impact on the affected budget items
10	The role of assessed budgets for humanitarian and development activities should be defined clearly	Proposal for assessment as part of technical survey of overall humanitarian needs when considering a new operation; mission budget to include activities required for successful implementation of mission mandate	Substantive office staff included in survey missions, contributing to development of mission implementation plans and budgets
11	Governments should be requested to second civilian personnel for non-core functions	Pursuing secondment of personnel from Member States and other international organizations	Efforts under way to arrange for secondment of personnel to the United Nations; 98 such Government-provided personnel now in the Department of Peace-keeping Operations

A/47/990 paragraph	Summary of issue	Initial action taken and/or recommendations	Current status of issue
12	Selection and training of police monitors should be improved	Training curriculum, procedures and handbook for police monitors are under preparation; Member States are requested to create rosters for rapid deployment	Training curriculum for police monitors has been developed, as well as notes for guidance; handbook for civilian police monitors is still under preparation
13	Staff costs should be calculated based on New York standard	A generic staff cost table is being prepared, based on a world-wide average of costs in various missions	Standard cost manual currently in use for preparation of budgets; a standard format for staffing tables is being developed
16	Training of administrative personnel serving in peace-keeping operations should be improved	Initial staffing of field missions by mission start-up teams is proposed; detailed field-specific training of administrative staff to be given prior to deployment	Civilian standby arrangements are being developed; field-specific training of administrative staff is currently taking place prior to deployment to the missions
16	The functions of internal audit, evaluation, investigation and management advisory service in missions should be strengthened	Assignment of resident internal auditors	Proposal to deploy resident auditors in large missions, and proposal for management review officers to be discussed; use of roving finance officers is proposed
17	Consultants and experts should be used for technical and other assistance in peace-keeping operations	Consultants to be utilized only when appropriate skill or expertise cannot be found within the resources of the Organization	Use of consultants is limited to cases where specific expertise is not available within the Organization
18	International contractual personnel should be used	Use of international contractual personnel (see A/48/707)	Proposals in document A/48/707 to be considered at the forty-ninth session of the General Assembly

A/47/990 paragraph	Summary of issue	Initial action taken and/or recommendations	Current status of issue
19	Criteria should be established for the use of and conditions for United Nations Volunteers (UNVs)	Use of Volunteers in peace-keeping operations to be expanded; collaboration covered in mission-specific agreements with UNDP/UNV, which administers Volunteers independently according to established regulations	UNVs are increasingly being utilized in missions, based on mission-specific requirements; as of 31 July 1994 there are 503 authorized UNV posts for peace-keeping operations (329 are currently on board)
22	Surface transportation should be used for rotation and repatriation of troops to nearby countries	Surface transport services have been and will continue to be used for personnel and equipment	Surface transport continues to be used in all instances where feasible and appropriate
23	Host country obligations	Status-of-forces/mission agreements to be negotiated in advance of deployment of future missions; existing agreements are being renegotiated as possible	Acceptance of agreements continues to be difficult in several mission areas; support of host Governments should be considered mandatory before deployment
26	Services to be provided to contingent troops	Cost to mission will be higher if each contingent provides such services for itself; costs to be specified in future budgets	Costs for services to military contingents are specified in budgets
26	Death and disability benefits for military contingent personnel should be reviewed	Proposal to revise policy for reimbursement of death and disability payments on behalf of contingent troops	Proposal to be reviewed by the General Assembly at its forty-ninth session
27	Adequate death and disability coverage should be provided for all personnel employed in peace-keeping operations	Recommendation for local compensation boards to be set up in field missions to administer Appendix D benefits for mission-appointed staff; alternatively, commercial workers' compensation coverage must be arranged	Recommendation for establishment of local compensation boards to administer Appendix D claims is still under consideration

A/47/990 paragraph	Summary of issue	Initial action taken and/or recommendations	Current status of issue
28	A review system should be introduced for reimbursement of contingent-owned equipment to troop-contributing countries	Recommendation that reimbursement for contingent-owned equipment should be limited to large, easily counted items, according to agreed schedule for standard valuation, useful life and depreciation	Recommendation for revision of the arrangements for reimbursement for contingent-owned equipment to be reviewed by the General Assembly at its forty-ninth session
29	Transfers of equipment from one mission to another should be reflected in budgets	Liquidation policy used in the United Nations Transition Assistance Group (UNTAG) and the United Nations Transitional Authority in Cambodia (UNTAC) proposed as basis for equipment transfer in future	Approval of proposal to be considered by the General Assembly at its forty-ninth session
30	Procurement for peace-keeping operations	Expand the use of contingency contracting procurement methods	Contingency contracting arrangements are being increasingly relied upon for standard equipment/supplies used by field missions (computers, communications, etc.)
31	Acquisition of equipment compatible with the needs of the mission	Standard equipment specifications based on actual field requirements are being established to ensure compatibility, efficiency and cost-effectiveness	Standardization among missions has been established and these specifications are being implemented for all new procurement
32	Cost of air operations	Long-term planning is being institutionalized, including longer-term leases for aircraft as well as use of contingency contracting for air services	Contingency arrangements for air services expected to be made effective in the coming months

A/47/990 paragraph	Summary of issue	Initial action taken and/or recommendations	Current status of issue
34	Cost of third-party vehicle insurance	Review of third-party liability will be undertaken by the Secretariat; possibility for limited self-insurance for war risk also under review	Review indicates that self-insurance for third-party liability would be neither time- nor cost-effective; war-risk insurance is still under review
35	Funding of public information activities for the promotion of peace-keeping operations	Recommendation that costs for public information activities specifically targeted to inform the local population about election monitoring, disarmament and so on should be paid from the mission budgets	Recommendation awaiting endorsement by the General Assembly at its forty-ninth session
37	Need for list of costs and explanations for standard equipment and services used in peace-keeping operations for preparation of budget estimates	Standard cost manual being updated	Second issue of the standard cost manual is being finalized for issuance
38	Internal audit must be substantially strengthened both in the mission area and at Headquarters	Proposal to assign resident internal auditors to missions	Two missions now have resident auditors assigned
39	Lack of guidelines and procedures for disposition of assets following mission liquidation	As above, policies used in UNTAG and UNTAC proposed as basis for guidelines on disposition of assets after mission liquidation	Proposal awaiting endorsement by the General Assembly
42	Adoption of a 12-month financial period	Endorse recommendation of 12-month financial period for peace-keeping budgets as stated in document A/48/565	Recommendation awaiting endorsement by the General Assembly